
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1124 Session of
2007

INTRODUCED BY WANSACZ, CONKLIN, GERGELY, STABACK, SURRA,
BELFANTI, CAPPELLI, FABRIZIO, HENNESSEY, KORTZ, READSHAW,
REICHLEY, YUDICHAK AND JAMES, APRIL 23, 2007

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES,
APRIL 23, 2007

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," further providing for
4 medical assistance payments.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 443.1 of the act of June 13, 1967
8 (P.L.31, No.21), known as the Public Welfare Code, amended July
9 7, 2005 (P.L.177, No.42), is amended to read:

10 Section 443.1. Medical Assistance Payments for Institutional
11 Care.--(a) The following medical assistance payments shall be
12 made in behalf of eligible persons whose institutional care is
13 prescribed by physicians:

14 (1) Payments as determined by the department for inpatient
15 hospital care consistent with Title XIX of the Social Security
16 Act (49 Stat. 620, 42 U.S.C. § 1396 et seq.). To be eligible for
17 such payments a hospital must be qualified to participate under
18 Title XIX of the Social Security Act and have entered into a

1 written agreement with the department regarding matters
2 designated by the secretary as necessary to efficient
3 administration, such as hospital utilization, maintenance of
4 proper cost accounting records and access to patients' records.
5 Such efficient administration shall require the department to
6 permit participating hospitals to utilize the same fiscal
7 intermediary for this Title XIX program as such hospitals use
8 for the Title XVIII program;

9 (2) The cost of skilled nursing and intermediate nursing
10 care in State-owned geriatric centers, institutions for the
11 mentally retarded, institutions for the mentally ill, and the
12 cost of skilled and intermediate nursing care provided prior to
13 June 30, 2004, in county homes which meet the State and Federal
14 requirements for participation under Title XIX of the Social
15 Security Act and which are approved by the department. This cost
16 in county homes shall be as specified by the regulations of the
17 department adopted under Title XIX of the Social Security Act
18 and certified to the department by the Auditor General;
19 elsewhere the cost shall be determined by the department;

20 (3) Rates on a cost-related basis established by the
21 department for skilled nursing home or intermediate care in a
22 non-public nursing home, when furnished by a nursing home
23 licensed or approved by the department and qualified to
24 participate under Title XIX of the Social Security Act and
25 provided prior to June 30, 2004;

26 (4) Payments as determined by the department for inpatient
27 psychiatric care consistent with Title XIX of the Social
28 Security Act. To be eligible for such payments a hospital must
29 be qualified to participate under Title XIX of the Social
30 Security Act and have entered into a written agreement with the

1 department regarding matters designated by the secretary as
2 necessary to efficient administration, such as hospital
3 utilization, maintenance of proper cost accounting records and
4 access to patients' records. Care in a private mental hospital
5 provided under the fee for service delivery system shall be
6 limited to thirty days in any fiscal year for recipients aged
7 twenty-one years or older who are eligible for medical
8 assistance under Title XIX of the Social Security Act and for
9 recipients aged twenty-one years or older who are eligible for
10 general assistance-related medical assistance. Exceptions to the
11 thirty-day limit may be granted under section 443.3. Only
12 persons aged twenty-one years or under and aged sixty-five years
13 or older shall be eligible for care in a public mental hospital.
14 This cost shall be as specified by regulations of the department
15 adopted under Title XIX of the Social Security Act and certified
16 to the department by the Auditor General for county and non-
17 public institutions;

18 (5) On or after July 1, 2004, and until such time as
19 regulations are adopted pursuant to subclause (iii), payments to
20 county and nonpublic nursing facilities certified to participate
21 as providers under Title XIX of the Social Security Act for
22 nursing facility services shall be calculated and made as
23 specified in the department's regulations in effect on July 1,
24 2003, except as may be otherwise required by:

25 (i) the Commonwealth's approved Title XIX Plan for nursing
26 facility services;

27 (ii) regulations promulgated by the department pursuant to
28 section 454; and

29 (iii) regulations promulgated by the department pursuant to
30 section 204(1)(iv) of the act of July 31, 1968 (P.L.769,

1 No.240), referred to as the Commonwealth Documents Law,
2 specifying the methods and standards which the department will
3 use to set rates and make payments for nursing facility services
4 effective July 1, 2006. Notwithstanding any other provision of
5 law, including section 814-A, the promulgation of regulations
6 under this subsection shall, until June 30, 2006, be exempt from
7 the following:

8 (A) Section 205 of the Commonwealth Documents Law.

9 (B) Section 204(b) of the act of October 15, 1980 (P.L.950,
10 No.164), known as the "Commonwealth Attorneys Act."

11 (C) The act of June 25, 1982 (P.L.633, No.181), known as the
12 "Regulatory Review Act."

13 (6) For public nursing home care provided on or after July
14 1, 2005, the department shall recognize the costs incurred by
15 county nursing facilities to provide services to eligible
16 persons as medical assistance program expenditures to the extent
17 the costs qualify for Federal matching funds and so long as the
18 costs are allowable as determined by the department and reported
19 and certified by the county nursing facilities in a form and
20 manner specified by the department. Notwithstanding this
21 paragraph, county nursing facilities shall be paid based upon
22 rates determined in accordance with paragraph (5).

23 (b) Payments to any county and nonpublic nursing facility
24 that is not within a Metropolitan Statistical Area (MSA) but is
25 within one mile of the border of the MSA shall be made at the
26 same rate as if the facility was within the MSA.

27 Section 2. This act shall take effect in 60 days.